M/s. ITC Ltd., their job workers and dealers on 17-2-87. After investigations a show cause notice for Rs. 803.77 crores was issued on 27-3-87 by the Directorate of Anti-Evasion for the period 1-3-83 to 28-2-87 against M/s. ITC and its 7 outside contract manufacturers. For the period prior to 1-3-83, ten show cause notices demanding duty of Rs. 300.65 crores have been issued against M/s. ITC and their outside contract manufacturers.

(b) M/s. ITC Ltd. filed a writ petition in Calcutta High Court challenging the Show Cause Notice demanding duty of Rs. 803.77 crores and for grant of injunction against the adjudication proceedings. Writ petition was dismissed by the single Judge Bench of Calcutta High Court on 24-12-87 after hearing the matter.

The party filed an appeal before the Division Bench of Calcutta High Court. The hearing in the appeal is still continuing.

(c) All the cases referred to in reply to Part (a) above are presently under adjudication by various adjudicating authorities. The question of recovery of any amounts will arise only after the cases have been adjudicated.

Holding of Loan Melas

877. SHRI H. HANUMANTHAPPA:

SHRI VITHALRAO MADHAVRAO JADHAV:

SHRI HARI SINGH:

SHRI SOHAN LAL DHUSIYA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided not to hold loan meals henceforth;

(b) what is the number of loan melas held during the last three years; and

(c) what is the number of loan melas held so far during the current year?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c) Depending on local responsiveness—the public sector banks have been organising credit camps as a part of the overall measures taken by them to improve flow of credit to weaker sections. The present data reporting system does not yield information in respect of number of credit camps organised by the banks. The banks follow the guidelines issued by the Reserve Bank of India for lending to priority sector for all loans whether they are given at bank branches or at credit camps.

Gramin Banks

878. SHRI H. HANUMANTHAPPA:

SHRI VITHALRAO MADHAVRAO JADHAV:

SHRI SOHAN LAL DHUSIYA:

SHRI HARI SINGH:

Will the Minister of FINANCE be pleased to state:

(a) what is the number of Gramin Banks functioning at present in the country;

(b) what is the total coverage of villages and population;

(c) how many of them are working on profit; and

(d) what steps Government propose to take to make these banks viable?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) There are 196 Regional Rural Banks (Gramin Banks) covering 363 districts functioning in the country. Information relating to coverage of population and villages by these banks is, however, not available.

(c) The working results for the year ended December, 1987 have been available for 194 RRBs. 45 Gramin Banks have earned profits and 149 Gramin Banks have sustained losses.

(d) A number of steps have been taken for improving the performance of these banks and reducing their losses. These are (i) release of additional share capital; (ii) enlarging the scope of their lending by allowing them to lend to public bodies/village panchayats etc.; (iii) lowering of interest rate on refinance provided by the sponsoring banks and (iv) investment of their SLR funds in Govt. securities of better yield. The Govt. has also asked the sponsoring banks to play a more active role in fund management, staff training and internal audit of regional rural banks.

Losses incurred by NTC

879. SHRI CHIMANBHAI MEHTA:
SHRI KAPIL VERMA:
SHRIMATI VEENA VERMA:
SHRI RAM CHANDRA VIKAL:
SHRI RAM JETHMALANI:

Will the Minister of TEXTILES be pleased to state:

(a) what are the figures of financial loss incurred by NTC during the last three years;

(b) whether any plan has been worked out to make the NTC economically viable; if so, what are the details thereof with regard to modernisation, restructuring of management, re-employment of surplus staff etc.;

(c) whether Government are aware that widespread irregularities and mismanagement have adversely affected the working of NTC; if so what are the details thereof; and

(d) what are the details of the advantages being enjoyed by the NTC compared to the mills in the private sector with regard to the supply of raw material, credit, excise duty, etc.?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) The net loss incurred by NTC during the last three years is indicated below:—

	(Rs. in crores)
1985-86 (Audited)	151.17
1986-87 (Audited)	214.00
1987-88 (Provl.)	266.43

(b) Yes, Sir. NTC has drawn up a mills-specific action plan for improving the functioning of the mills. The surplus workers and staff will, however, be rationalised under the Voluntary Retirement Scheme.

(c) Government is aware of complaints regarding irregularities and mismanagement in the NTC mills. Action, wherever warranted, is being taken. However, it is not possible to give the details of all the complaints received in this connection.

(d) NTC mills do not enjoy any advantages as compared to the private sector mills with regard to supply of raw-material, credit, excise duty etc. except in the case of the cloth produced under certain approved schemes for the production of low priced blended fabrics for the benefit of the weaker sections of the society.